

HOUSE BILL 4138

By Borchert

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, relative to exemption from sales and
use tax of book sales benefiting public libraries.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by
adding the following language as a new, appropriately designated section:

§ 67-6-3__.

(a) There is exempt from the provisions of this chapter the sale at retail of
books, if such books are sold by a public library support organization and all
proceeds from such sales are used solely for public library purposes.

(b) The exemption granted under subsection (a) to public library support
organizations shall be limited to such organizations that are not organized or
operated for profit, and no part of the net earnings of which inures to the benefit
of any private shareholder or individual.

(c) No public library support organization shall be exempt under
subsection (a), unless the organization shall have issued to it by the
commissioner an exemption certificate declaring that such organization is entitled
to the exemption provided for by subsection (a).

(d) The commissioner is authorized to make final determination after a
hearing, if demanded, as to whether an organization is entitled to the benefit of
the exemption established by subsection (a).

(e) Public library support organizations shall be entitled to have monthly
sales of books pursuant to this section.

SECTION 2. This act shall take effect July 1, 2008, the public welfare requiring it.

